

Appendix 2 LEP functions

LEPs were established in 2011 and originally conceived as local business-led partnerships between the private and public sector that would drive local economic growth and productivity.

A LEP's role was primarily to be a strategic body, bringing together leaders from business, local government, education and other key local stakeholders to set and achieve economic opportunities and address challenges at a local level, informed by rich business intelligence and a robust place focus

The role of LEPs increased significantly in 2015 when they were given responsibility for local growth deal funding over six years and subsequently Getting Building Fund in 2020.

When Government made the decision in August 2023 to confirm a decision to withdraw central government support (core funding) for LEPs from April 2024 and to transfer LEP functions to local authorities, they outlined which key functions would be transferring as summarised below:

Growth Hubs

Growth Hubs have been delivered by LEPs on behalf of the Department for Business and Trade (previously the Department for Business, Energy, and Industrial Strategy). Following the closure of Business Link which was a national service, Growth Hubs provided a local approach to business support.

Growth Hubs are designed to:

- Promote the advantages of seeking business support.
- Simplify the process of accessing support for businesses by connecting businesses to support available in a local area.
- Improve co-ordination of local business support services in line with local and national economic policy goals.
- Fill any gaps in support services with bespoke offering where needed.

Growth Hubs primarily provide a 'front window' for businesses, bringing together agencies and organisations that provide business support, playing a brokerage, support and facilitator role. The principles of funding require Growth Hub services to be free of charge, impartial, and to make services available through a range of channels, including working alongside the national business support helpline and providing face-to-face support where feasible.

The SEMLEP Growth Hub launched in 2014 and provides the following functions:

- Business advice and support including events
- Business grants (currently until March 25)
- Business engagement / partnership working
- Acting as a central point to refer to other business support (e.g. resource hub)
- Business support helpline
- Additional funded project activity (e.g. UKSPF activity)

Careers Hub

The South East Midlands Careers Hub is part of a national network of centres of excellence on a mission to improve the careers outcomes for young people. The Careers Hub is funded by the Department for Education via the Careers & Enterprise Company

The Careers Hub connects together local employers with careers leaders in schools, colleges and training providers to coordinate careers education and enhance each student's early experiences of the work place. The South East Midlands Careers Hub aims to support around 150 schools, and multiple colleges and providers across Bedfordshire and Luton, Milton Keynes and Northamptonshire.

Careers Hub supported programmes bring partners together, to act with the shared aims of inspiring young people, and giving students the knowledge and practical skills to make decisions about their next step

Five priority areas for the South East Midlands Careers Hub are:

- Connecting careers provision in schools and colleges to the needs of the local economy
- Targeting interventions for economically disadvantaged young people, those who face additional barriers and those at risk of leaving school and not continuing training for getting a job
- Amplifying the opportunities of apprenticeships, technical and vocational routes into work
- Facilitating more, high quality experiences with employers for students and teachers
- Embedding best practice (known as the 8 Gatsby Benchmarks) in careers provision in schools and colleges

Strategic Economic Planning

LEPs are currently responsible for producing economic strategies in their areas and have delivered both Strategic Economic Plans and Local Industrial Strategies that brought together local businesses, authorities, and individuals to develop a long-term economic strategy for the respective areas.

From April 2024, government encourages areas to produce (or update) economic strategies on an ongoing basis to support local decision making, furthering the work previously undertaken by LEPs. Government expects areas to publish their (existing, new, or updated) strategy within six months of receiving funding for 2024/2025.

Where possible Government suggest building on the Local Industrial Strategies or any other similarly relevant strategies or documents already in place. These strategies should be underpinned by a strong evidence base and look to identify: the local economic opportunities (including areas of comparative advantage); challenges; and where there are opportunities for strategic connections across regions.

Incorporating the voice of business

LEPs have provided a strong forum for the voice of business and this function will continue in the new arrangements, Government guidance was published on the 2 August 2023 and subsequently on the 19 December 2023 highlighting the need to embed a strong,

independent, and diverse local business voice into the new arrangements. This includes the following requirements from Government:

- The expectation for local authorities to create or continue to engage with an economic growth board (or similar) within their functional geography.
- Suggestions of the types of things the private sector could add value to within new arrangements such as enhancing local economic strategies and interventions, providing challenging and insight on business impacts of public sector initiatives and providing the view of local businesses as part of regional decision making.
- An expectation that membership of the Board be selected and recruited in an open and transparent process and that terms of reference of the Board manages issues such as conflict of interest, confidentiality, gateway criteria or disqualification/removal procedures.
- Ensuring the governance structure delivers an independent business voice. For example, in choice of Chair and the appointment process, how terms of reference are set, how decisions are made and agreed within the board (and disputes managed), and in managing public communications.
- Ensuring the board is representative of the whole geography.
- Types of activity the board is involved in could include consultation on emerging plans, engagement with district councils, Towns Boards and UKSPF programmes (where appropriate), endorsement for significant public funding proposals and linkages with wider plans and engagement structures such as Growth Hubs, LSIPS and Careers Hubs.
- Local authorities are also asked to consider how the Board will relate to other local for a e.g. Town Deal Boards and relevant wider pan-regional economic planning organisations e.g. Midlands Engine.